



DECISION

Fair Work Act 2009
s.185—Enterprise agreement

Sanity Entertainment
(AG2018/2223)

SANITY ENTERTAINMENT ENTERPRISE AGREEMENT 2018

Retail industry

COMMISSIONER HARPER-GREENWELL

MELBOURNE, 10 OCTOBER 2018

Application for approval of the Sanity Entertainment Enterprise Agreement 2018.

[1] An application has been made for approval of an enterprise agreement known as the *Sanity Entertainment Enterprise Agreement 2018* (the Agreement). The application was made pursuant to s.185 of the *Fair Work Act 2009* (the Act). It has been made by Sanity Entertainment. The Agreement is a single enterprise agreement.

[2] The Employer has provided written undertakings. A copy of the undertakings is attached in Annexure A. I am satisfied that the undertakings will not cause financial detriment to any employee covered by the Agreement and that the undertakings will not result in substantial changes to the Agreement.

[3] Subject to the undertakings referred to above, I am satisfied that each of the requirements of ss.186, 187, 188 and 190 as are relevant to this application for approval have been met. The Agreement does not cover all of the employees of the employer, however, taking into account the factors in Section 186(3) and (3A) I am satisfied that the group of employees was fairly chosen.

[4] The Shop, Distributive and Allied Employees Association being a bargaining representative for the Agreement, has given notice under s.183 of the Act that it wants the Agreement to cover it. In accordance with s.201(2) I note that the Agreement covers the organisation.

[5] The Agreement was approved on 10 October 2018 and, in accordance with s.54, will operate from 17 October 2018. The nominal expiry date of the Agreement is 30 June 2021.



COMMISSIONER

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Annexure A

IN THE FAIR WORK COMMISSION

FWC Matter No.:

AG2018/2223

Applicant:

Sanity Music Stores Pty Limited

(name of applicant)

Undertaking- section 190

I, Melinda Holder, Human Resources and Payroll Manager of Sanity Music Stores Pty Limited give the following undertakings with respect to the (name of agreement) ("the Agreement"):

1. I have the authority given to me by Sanity Music Stores Pty Limited to provide this undertaking in relation to this application before the Fair Work Commission.
2. Clause 6.1(b) of the Sanity Entertainment Enterprise Agreement 2018 will operate in accordance with the National Employment Standards.

Employer name:

Sanity Music Stores Pty Ltd

Authority to sign:

Melinda Holder

Signature:



Date:

30 Oct 2018

Note - this agreement is to be read together with an undertaking given by the employer. The undertaking is taken to be a term of the agreement. A copy of it can be found at the end of the agreement.



Sanity Entertainment Enterprise Agreement 2018

Rollout Version, 16 April 2018

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Part 1. Preliminary

1.1 Operation of Sanity Entertainment Enterprise Agreement

- (a) The Sanity Entertainment Enterprise Agreement will have application to all retail store employees of Sanity Entertainment who are classified within this Enterprise Agreement.
- (b) This Enterprise Agreement will commence 7 days after its approval by the Fair Work Commission. The Enterprise Agreement will nominally expire on 30th of June 2021.
- (c) This is a comprehensive Enterprise Agreement and will not be read in conjunction with any Industrial Agreement or Industrial Award except as expressly provided for within this Agreement.
- (d) The National Employment Standards and this Enterprise Agreement combine to form the minimum conditions of employment for employees covered by this Enterprise Agreement.
- (e) A copy of this Enterprise Agreement and the National Employment Standards will be readily available to employees at each Sanity Entertainment retail outlet.

1.2 Definitions

- (a) 'continuous service' means service for any employee under a contract of employment that has not been terminated, or has been terminated and the employee has been reemployed by Sanity Entertainment within 3 months of the termination.
- (b) Enterprise Agreement means the Sanity Entertainment Enterprise Agreement 2018.
- (c) FWC means the Fair Work Commission.
- (d) 'immediate family' includes a partner, child, parent, grandparent, grandchild or sibling of the employee or a child, parent, grandparent, grandchild or sibling of a partner of the employee.
- (e) 'line manager' is the person that an employee reports to.
- (f) 'modern award' means the General Retail Industry Award 2010 (MA000004).
- (g) 'mutually agreed' within this Enterprise Agreement means agreement is reached after Sanity Entertainment and the employee have genuinely agreed after a process of consultation.
- (h) 'ordinary hours' means 76 hours per 2 week cycle for a full time employee and between 6 hours and fewer than 76 hours in a 2 week cycle for a part time employee.
- (i) 'ordinary rate of pay' means the employee's wage rate as expressed in the wages section.
- (j) 'permanent employees' are full time employees and part time employees. Sanity Entertainment will not employ any casual employees.
- (k) Sanity Entertainment means the employer Sanity Music Stores Pty Ltd trading as Sanity/Virgin/HMV or its assignee (as provided for in the Fair Work Act) ACN 072 187 298.

Part 2. Employment Categories

2.1 Full Time Employee

Full time employees are those employees engaged to work 76 hours per 2 week cycle as their ordinary hours.

2.2 Part Time Employee

- (a) Sanity Entertainment and a part time employee will agree, in writing, on set contract hours per 2 week cycle.
- (b) The set contract hours are to be between a minimum of 6 hours and a maximum fewer than 76 hours.
- (c) A part time employee may work beyond their contracted ordinary hours, up to a maximum of 76 hours in a 2 week cycle and be paid at their ordinary hourly rate of pay. An employee must agree in advance to work these additional hours, otherwise overtime rates apply. The acceptance will be recorded in writing or electronically and an updated roster posted.
- (d) Where, over a 6 consecutive month period, a part time employee regularly and systematically works:
 - (i) More than 6 ordinary hours per 2 week cycle but less than 12 ordinary hours per 2 week cycle, the part time employee may request new contracted ordinary hours of at least 12 hours per 2 week cycle; or
 - (ii) More than 18 ordinary hours per 2 week cycle, the part time employee may request new contracted ordinary hours of at least 18 hours per 2 week cycle;Sanity Entertainment will not unreasonably refuse any such request.
- (e) If in any 2 week cycle a part time employee wishes to be rostered less than their ordinary hours' they can make a request to store management to work less hours. If this request is approved the employee must complete a leave request the reduced hours be provided as either paid Annual Leave or Unpaid Leave.
- (f) Sanity Entertainment will see if it is possible to transfer to full time employment any part time employee who seeks full time employment and has been regularly and systematically working more than 70 hours per 2 week cycle over the previous 6 month period.

2.3 Short Term Contract

- (a) Sanity Entertainment may engage employees on a voluntary short term contract.
- (b) A short term contract will be a minimum of 3 weeks except where the contract replaces an employee on annual leave, in which case the minimum may be 2 weeks in length. A short term contract will be a maximum of 12 months in length except where the contract replaces an employee on parental leave in which case the contract will be to cover the period of the parental leave.
- (c) Prior to entering a short term contract, the employee will be advised in writing of the exact date of commencement and completion of the short term contract. The completion date may be varied, on the giving of notice in instances where an employee on a maximum term contract is replacing another employee on a period of leave that finishes earlier than originally advised by the employee taking the leave (eg an employee returning from parental leave earlier than originally advised).
- (d) If an existing employee is contracted to work on a short term contract they will revert to their original position at the conclusion of the short term contract.

- (e) It is important for all parties to be aware that a short term contract must not run beyond its completion date. If this seems a possibility a further short term contract needs to be agreed in writing and countersigned by the employee concerned prior to the completion of the short term contract in operation. An employee will not be engaged on continuously rolling short term contracts.

Part 3. Wages and Classification Structure

3.1 Functions and Duties

- (a) Employees will be required to undertake a varying range of duties and work as reasonably directed within the store. These may include duties of a manual nature and may include, but are not limited to:
- | | |
|--------------------------|---------------------------------------|
| (i) Customer Service | (ii) Stock Replenishment |
| (iii) Merchandising | (iv) Housekeeping and Cleaning Duties |
| (v) Administrative Tasks | (vi) Loss Prevention Procedures |
| (vii) OH&S Procedures | (viii) Audit Requirements |
| (ix) Training | (x) Stocktake |
- (b) These duties may change over time with the addition of other responsibilities or the performance of other duties as Sanity Entertainment may reasonably require to meet the operating needs of the store and will be within the limits of the employee's skills, competence and training.
- (c) The employee will work as part of their store team to ensure that productivity standards are achieved. The employee will conscientiously and diligently carry out these duties in respect of the Sanity Entertainment business and will use his or her best endeavours to promote and enhance the Sanity Entertainment business.

3.2 Classification and Wage Structure

- (a) The Sanity Entertainment classification structure has been designed to encourage career progression within the business.
- (b) The Sanity Entertainment classification structure and the ordinary rates of pay will be as follows:

<u>Enterprise Agreement Classification Title</u>	<u>Modern Award Classification Level</u>	<u>Enterprise Agreement Wage Relativity to Modern Award</u>	<u>Store Annual Turnover</u>
Team Member	Level 1	Level 1 + 1%	N/A
Senior Team Member	Level 3	Level 3 + 1%	N/A
Assistant Store Manager	Level 4	Level 4 + 1%	N/A
Manager – Grade 3	Level 6	Level 6 + 1%	<\$0.9m
Manager – Grade 2	Level 6	Level 6 + 4%	\$0.9m to \$1.6m
Manager - Grade 1	Level 6	Level 6 + 6%	>\$1.6m

- (c) A Team Member under the age of 20 years will be paid the following percentage of the appropriate ordinary hourly rate of pay:

<u>Classification</u>	<u>Relativity</u>
Team Member - 16 years & under	50%
Team Member - 17 years	60%
Team Member - 18 years	70%
Team Member - 19 years	80%
Team Member - 20 years & over	100%

- (d) In July of each year, or on any other change to the modern award wage rates, Sanity Entertainment will publish a Sanity Entertainment Wage Bulletin setting out the ordinary hourly rates of pay, junior rates and penalties, for each Sanity Entertainment classification level and the Enterprise Agreement allowances.
- (e) All employees will be advised of their classification in writing upon commencement.
- (f) The Classification Structure will allow Sanity Entertainment to reward employees in a transparent manner in accordance with the position they are appointed to. The structure will mean that employees are treated equitably.

3.3 Superannuation

- (a) Superannuation contributions will be made monthly by Sanity Entertainment to REST in accordance with the requirements of the Superannuation Guarantee Legislation.
- (b) An employee may make personal Superannuation contributions in addition to those made by Sanity Entertainment on the following understanding:
- (i) The employee may either choose to make before or after tax superannuation contributions.
 - (ii) If an employee makes after-tax contributions, the employee may receive a government superannuation co-contribution.
 - (iii) If an employee chooses to make before tax contributions (i.e. Salary Sacrificing) this contribution may lead to a reduction in the employees 'ordinary rate of pay', by an amount equivalent to the employees' before tax contribution. Upon receipt of written authorisation from the employee Sanity Entertainment will commence making these additional payments, via payroll deductions, into REST on behalf of the employee. An employee may vary the amount of their additional contributions on up to one occasion per annum (unless mutually agreed otherwise).
- (c) In circumstances where an employee seeks to have their Superannuation contributions paid into an alternative fund they can make a written request to Sanity Entertainment. Sanity Entertainment will consider any requests on its individual merits and on a case-by-case basis.
- (d) Any existing employee who, at the commencement of this Enterprise Agreement, is having contributions directed to a Superannuation fund other than REST will be able to continue to have their Superannuation contributions made to the pre-existing fund.

3.4 Allowances

Meal Allowance

- (a) An employee required to work more than one hour of overtime after the employee's ordinary time of ending work, without being given 24 hours' notice, will be either provided with a meal or paid the meal allowance – More than 1 Hour. Where such overtime work exceeds four hours the meal allowance – more than 4 Hours will be paid.
- (b) The meal allowance will increase in accordance with increases applied to the meal allowance payments in the award (clause 20.1).

Motor Vehicle Allowance

- (c) An employee who by agreement with Sanity Entertainment uses the employee's own motor vehicle on Sanity Entertainment business will be paid an allowance of 78 cents per kilometre travelled.
- (d) It is Sanity Entertainment's preference that employees use the Sanity Entertainment vehicle where practicable.

Temporary Store Transfer

- (e) Where an employee is required by Sanity Entertainment to move temporarily from one store to another for a period not exceeding 3 weeks, all additional transport costs so incurred will be reimbursed by Sanity Entertainment.

Working Away From Normal Place of Work

- (f) An employee who on any day is required to work at a place away from their usual place of employment, for all time reasonably spent in reaching and returning from such place (in excess of the time normally spent in travelling from their home to their usual place of employment and returning), will be paid travelling time and also any fares reasonably incurred in excess of those normally incurred in travelling between their home and their usual place of employment.
- (g) Where Sanity Entertainment provides transport from a pick up point, a employee will be paid travelling time for all time spent travelling from such pick up point and returning to such pick up point. The rate of pay for travelling time will be the ordinary time rate except on Sundays and holidays when it will be time and a half.

Higher Duties

- (h) An employee engaged for more than 2 hours during one day or shift on duties carrying a higher rate than their ordinary classification are to be paid the higher rate for such day or shift. If engaged for 2 hours or less during one day or shift, the employee will be paid the higher rate for the time worked only.

Other Applicable Award Allowances

- (i) Additional to the abovenamed allowances, Sanity will follow and comply with any other modern award allowance that may be applicable at any time or from time-to-time.

Part 4. Hours of Work

4.1 Employee Availability

An employee's times and days of availability will be agreed at the time of employment. If for any reason an employee wishes to alter these days and times of availability this must be discussed with the employee's 'line manager'. This request will be considered in line with the operational requirements of Sanity Entertainment. Where agreed by Sanity Entertainment this may lead to a change in the employee's days and times of availability. As part of this agreement, it may be necessary to change the employee's Employment Category, classification and/or 'ordinary hours'.

4.2 Rosters

- (a) Sanity Entertainment will draw up a roster for each 2 week pay cycle. This fortnightly roster will be made available 7 days in advance of the 2 week pay period that it applies to.
- (b) Once a roster is made available, changes to the roster may be made by Sanity Entertainment if the employee concerned agrees. Any changes to a roster will be provided to an employee electronically.
- (c) A copy of the roster will be made available to each employee in a place accessible to employees in each Sanity Entertainment store.
- (d) Sanity Entertainment require all employees be available to work during Sanity Entertainment's official stocktakes unless an employee is excused from the work due to exceptional circumstances or other operational reasons.

4.3 Hours of Duty

- (a) An employee will be rostered to work their 'ordinary hours' per 2 week roster cycle.
- (b) An employee will not be rostered to work for more than 9 hours per shift (exclusive of unpaid breaks) although an employee may work up to 11 hours on up to 2 occasions per 2 week cycle.
- (c) An employee will not be rostered to work for less than 3 consecutive hours per shift.
- (d) An employee will not be rostered to work 'ordinary hours' on more than 10 days during any 2 week roster cycle.
- (e) A full time employee will have 2 consecutive days off once every week or 3 consecutive days off at least once per 2 week cycle.
- (f) A full time employee will be rostered off for a minimum of one weekend each month, unless 'mutually agreed' otherwise.
- (g) A 12 hour break must be observed between the completion of one days work and the commencement of the next days work.

Part Time Additional Hours

- (h) If a part time employee mutually agrees to work beyond their contracted hours in accordance with clause 2.2(c), up to a maximum of 76 hours in a 2 week cycle, the employee will be paid at their ordinary hourly rate of pay (and penalties where applicable).

4.4 Spread of Ordinary Hours and Penalties

All employees will receive the below listed percentages as per the modern award, and changes thereto that may occur to the modern award during the life of the Enterprise Agreement, of the relevant permanent rate of pay for each hour worked within the below spread of ordinary hours of work timeframes:

<u>Spread of Ordinary Hours of Work</u>	<u>Percentage of Ordinary Hourly Rate of pay</u>
Monday to Friday - 7am to 6pm	100%
Monday to Friday – 6pm to 9pm*	125%
Saturday – 7am to 6pm*	125%
Sunday – 9am to 6pm*	150% or the relevant modern award level Sunday dollar amount, whichever is the higher.
Public Holidays	225%

*Where Sanity Entertainment trading hours extend beyond 9pm Monday to Friday or 6pm on Saturday or Sunday, the finishing time for ordinary hours on all days of the week will be 11pm.

4.5 Overtime

- (a) Any work done that falls outside the conditions set in the hours of duty (clause 4.3) or spread of ordinary hours of work (clause 4.4) will be classified as Overtime.
- (b) Sanity Entertainment will only require an employee to work reasonable Overtime.
- (c) Overtime will be paid as follows:
 - (i) Monday to Saturday - 150% of the employee’s ordinary hourly rate of pay for the first 2 hours, 200% thereafter.
 - (ii) Sunday - 200% of the employee’s ordinary hourly rate of pay.
 - (iii) Public Holiday – 250% of the employee’s ordinary hourly rate of pay.

4.6 Breaks

- (a) Paid rest breaks and unpaid meal break entitlements are:

	<u>Paid Rest Break</u>	<u>Unpaid Meal Break</u>
If an employee works 4 and up to 5 hours in a shift:	10 minutes	n/a
If an employee works more than 5 and up to 7 hours in a shift:	10 minutes	30 minutes
If an employee works more than 7 hours in a shift:	2 x 10 minutes	60 minutes*

*By mutual agreement the length of this unpaid meal break may be shortened to 30 minutes or taken as 2 x 30 minute unpaid breaks.

- (b) Breaks are to be taken as determined by Sanity Entertainment in a manner that does not impact on the operational requirements of the business.
- (c) An employee will not work for more than 5 hours of continuous work without an Unpaid Meal Break. An employee will not be provided a Break within one hour of their starting or finishing time.

4.7 Public Holidays

- (a) Employees will be entitled to public holidays, or part day public holidays, as proclaimed, declared, prescribed, legislated or gazetted by each State or Territory government or locality.
- (b) If an employee does not work on a day or part-day that is a public holiday, Sanity will pay the employee at the employee's ordinary hourly rate of pay for the employee's ordinary hours of work on the day or part-day. This sub-clause will only apply to a part time employee who is regularly rostered to work on the day the public holiday falls (ie the part time employee has worked 3 out of the 4 previous Mondays and the Monday is a public holiday not worked).

4.8 Flexible Working Arrangements

- (a) An employee with at least 12 months continuous service who:
 - (i) Is a parent or guardian, or has the responsibility for the care, of a child who is school age or younger;
 - (ii) Is a carer (as defined in the Carer Recognition Act 2010);
 - (iii) Has a disability;
 - (iv) Is 55 or older;
 - (v) Is experiencing family or domestic violence;
 - (vi) Is caring for or supporting an immediate family member or household member who requires care or support because of family or domestic violence; or
 - (vii) Is returning to work after taking leave in relation to the birth or adoption of a child.May make a request in writing to Sanity Entertainment for a change in working arrangements. This could include changes to hours of work, patterns of work and changes in location of work.
- (b) Sanity Entertainment will only refuse a request on reasonable business grounds.
- (c) Sanity Entertainment will provide a written response within 21 days. In instances where Sanity Entertainment refuses the request the written response will include the reasons for the refusal.

Part 5. Leave

5.1 Personal Leave

- (a) Permanent employees will be entitled to 10 days personal leave per year, accruing progressively on ordinary hours of work.
- (b) Personal leave is sick leave and carers leave.
- (c) If an employee requires personal leave they must personally contact their line manager as soon as reasonably practical. Notification of a personal leave absence via text messages or email etc. is not acceptable.
- (d) Employees are not entitled to be paid for their accumulated personal leave on termination.
- (e) Authorised personal leave, whether paid or unpaid, does not break an employee's continuity of service.
- (f) For an employee to be paid for a personal leave absence, in situations where evidence of the leave is required, Sanity Entertainment must have received the evidence required in this Enterprise Agreement prior to the end of the pay cycle. If this information is not received by the end of the pay cycle the employee will not be paid for the day(s). Instead, the

employee will be paid for the personal leave in the pay run following the receipt by Sanity Entertainment of the required information.

Sick Leave

- (g) Sick leave may be used when an employee is not well enough to work because of a personal illness or injury.
- (h) Where the employee is sick, Sanity Entertainment requires evidence of the need for the leave via a medical certificate, if it is reasonably practicable to do so, otherwise a statutory declaration, dated at the time of absence for:
 - (i) Absences in excess of one day; or
 - (ii) On a single day absence if it occurs either side of a non-working day.
- (i) Where an employee has a recurring pattern of sick leave, Sanity Entertainment may require that future sick leave be supported by written evidence as reasonably required by Sanity Entertainment.

Carers Leave

- (j) Carers leave may be used when an employee needs to provide care or support to a member of the employee's immediate family, or a member of the employee's household, who requires care or support because of a personal illness or injury or an unexpected emergency.
- (k) Where the employee is taking carers leave, Sanity Entertainment may require evidence of the need for the leave via a medical certificate or a statutory declaration in the case of an unexpected emergency.
- (l) Unpaid carers leave of 2 days per occasion is available to employees who have exhausted their accrued Personal Leave.

5.2 Compassionate Leave

- (a) Upon the death of a parent, partner or child of an employee the employee is entitled to 5 days paid compassionate leave. Upon the death of any other immediate family member or a member of an employees' household the employee is entitled to 2 days paid compassionate leave.
- (b) If a member of an employee's immediate family or household contracts or develops a personal illness or sustains an injury that poses a serious threat to their life, the employee will be entitled to 2 days paid compassionate leave.
- (c) The employee may be required to provide evidence of the requirement to take compassionate leave to the reasonable satisfaction of Sanity Entertainment.
- (d) Requests for unpaid compassionate leave for extended family members or extensions to the length of compassionate leave will be considered by Sanity Entertainment on a case-by-case basis.

5.3 Annual Leave

- (a) Permanent employees will be entitled to 4 weeks paid Annual Leave per annum accruing progressively on ordinary hours of work.
- (b) The taking of annual leave is subject to the operational requirements of Sanity Entertainment and the approval for the leave having been authorised in writing. Sanity Entertainment will not unreasonably refuse any annual leave requests.
- (c) Employees are encouraged to take 4 weeks annual leave per year and to not accrue more than 8 weeks of leave.
- (d) Where a recognised public holiday falls on a day a full time employee would have worked but for the employee being on annual leave, the public holiday will not be counted as a day of annual leave.
- (e) Any accrued annual leave entitlement will be paid to the employee upon termination of employment.

- (f) Annual leave payments will be made in the normal pay cycle as if the employee had been working. Employees will be paid for annual leave at their ordinary rate of pay plus an annual leave loading of 17.5%, or the relevant weekend penalty rates whichever is the greater (but not both), will be paid on annual leave payments.
 - (g) For operational reasons employees will not be able to take annual leave in November, December or the first half of January although no annual leave requests will be unreasonably refused.
 - (h) An employee may elect, in writing, to cash out a particular portion of their annual leave. Sanity Entertainment may agree to the request if it meets their operational requirements. Paid annual leave will not be cashed out if it would result in the employee's remaining annual leave accruals being less than 4 weeks.
 - (i) Sanity Entertainment may require an employee to take annual leave by giving at least four weeks' notice in the following circumstances:
 - (i) As part of a close-down of its operations; or
 - (ii) Where more than eight weeks' leave is accrued*.
- *The protections and procedures applicable to assist Sanity and the employee to deal with accrued excessive leave as set out in 32.6, 32.7 and 32.8 of the modern award are incorporated here.
- (j) Where, during a period of annual leave an employee takes another form of paid leave (eg personal leave) the employee will be re-credited the period of annual leave for the period of the other leave taken.

5.4 Unpaid Leave

- (a) Sanity Entertainment will consider employee requests for unpaid leave. Reasons unpaid leave may include an employee requesting time off for study, to travel or other personal reasons.
- (b) The granting of unpaid leave will be on a case-by-case basis at the complete discretion of Sanity Entertainment.
- (c) Whilst on unpaid leave all entitlements to annual leave, personal leave, long service leave or superannuation will be frozen from the date of commencing such leave to the date of returning from such leave.
- (d) Such absence shall not break continuity of employment for the employee concerned.

5.5 Long Service Leave

All employees covered by the Enterprise Agreement will be entitled to long service leave in accordance with the provisions of their State or Territory Long Service Leave Act or Commission Order.

5.6 Parental Leave

- (a) Employees will be provided parental leave in accordance with the National Employment Standards. In summary:
 - (i) Both parents have the right to separate periods of up to 12 months of unpaid leave associated with the birth of a baby (or adoption of a child).
 - (ii) To be entitled the employee must have at least 12 months continuous service and have reasonable responsibility for the care of the child.
 - (iii) Where families prefer one parent to take a longer period of leave, that parent will be entitled to request up to an additional 12 months of unpaid Parental Leave.
 - (iv) Requests for more than 12 months Parental Leave must be in writing and be provided at least 4 weeks prior to the end of the first 12 month period. Sanity Entertainment must respond in writing to the request within 21 days of the request being made. The request can only be refused on reasonable business grounds and if there is a refusal the notice must include details.

- (b) Employees on approved parental leave will be paid, in the first fortnightly pay run following the commencement of their parental leave, for a portion of the leave on the following basis of their normal take home pay:

<u>Employee's Continuous Service</u>	<u>Paid Maternity Leave*</u>	<u>Paid Paternity Leave*</u>
1 and less than 3 years	2 weeks	2 days
3 and less than 5 years	4 weeks	3 days
5 years and over	6 weeks	5 days

Superannuation will be payable on parental leave payments.

- (c) On request Sanity Entertainment will provide an employee a summary of the parental leave National Employment Standard.

5.7 Community Service Leave

- (a) An employee who engages in an 'eligible community service' is entitled to be absent from employment to engage in the activity plus reasonable travel associated with the activity and reasonable rest time following the activity.
- (b) 'Eligible community service' includes:
- (i) Jury service;
 - (ii) Voluntary emergency management activity*; or
 - (iii) Any activity prescribed by the regulations to the Fair Work Act.

*This includes an activity that involves 'dealing with an emergency or a natural disaster'; and the activity is voluntary; and the employee is a member of the recognised management body; and the employee was requested to engage in the activity (or it was reasonable for them to assume a request would be made).

- (c) An employee must provide Sanity Entertainment notice of the leave as soon as practicable including notification of the expected period of the leave. Sanity Entertainment may require an employee to provide them reasonable evidence they have been engaging in an eligible community service activity.
- (d) Employees will not be paid for community service leave except for jury service where an employee will be paid for the first 10 days of a jury service absence.
- (e) For jury service: Sanity Entertainment may require the employee to provide Sanity Entertainment reasonable evidence the employee has taken all necessary steps to obtain any amount of jury service pay to which the employee is entitled (even if it is nil). An employee is not entitled to be paid for jury service unless the employee provides the requested evidence. If the employee provides the evidence the total amount payable is reduced by the total amount of jury service pay.

5.8 Domestic Violence Leave

- (a) An employee is entitled to unpaid leave for up to 2 days per occasion to attend to medical appointments, legal proceedings and other activities related to domestic violence.
- (b) Personal Leave may also be used by employees experiencing domestic violence.
- (c) An employee who supports a person experiencing domestic violence may take carer's leave to accompany them to court, to hospital, or to mind children.

- (d) An employee may be required to produce suitable evidence that domestic violence has occurred such as a document issued by the police service, a court, a doctor, a district nurse, a lawyer or in a statutory declaration.

Part 6. Contract of Employment

6.1 Termination of Employment

- (a) Every employee will be engaged on a fortnightly basis terminable by the following table (or if Sanity Entertainment wish on the making of the relevant payment in lieu of notice):

<u>Employee's Continuous Service</u>	<u>Period of Notice</u>
Less than 1 year	1 week
1 and less than 3 years	2 weeks
3 and less than 5 years	3 weeks
5 years and over	4 weeks

- (b) If an employee fails to give notice or work the required notice Sanity Entertainment is not obliged to pay the employee for the period of notice not worked and may withhold any period of notice from the employee's final pay (not including Annual Leave payments).
- (c) Sanity Entertainment may decide to terminate an employee's employment prior to the end of the notice period. If so, the employee will be paid for the notice period in lieu of notice.
- (d) If an employee is over 45 years of age and has had at least 2 years continuous service they will receive an extra 1 weeks notice.
- (e) Any employee who is guilty of serious misconduct may be instantly dismissed and will only be paid up to the time of dismissal.

6.2 Payment of Wages

- (a) Wages will be paid fortnightly by way of electronic funds transfer in arrears. The transfer will be made within 4 working days of the end of the pay period and Sanity Entertainment will pay any costs associated with such transfer.
- (b) Termination payments will be made by way of electronic funds transfer within 4 working days of the end of the termination pay period and Sanity Entertainment will pay any costs associated with such transfer.

6.3 Workplace Consultation

- (a) This clause applies if Sanity Entertainment:
- (i) Has made a definite decision to introduce a 'major change' to production, program, organisation, structure or technology in relation to its enterprise that is likely to have a significant effect on the employees; or
 - (ii) Proposes to introduce a change to the 'regular roster' or ordinary hours of work of employees.

Major change

- (b) For a 'major change' (referred to above):
 - (i) Sanity Entertainment must notify the relevant employees of the decision to introduce the major change; and
 - (ii) Subclauses 7.4(a)-(g) apply.
- (c) The relevant employees may appoint the union or other representative for the purposes of the procedures in this term.
- (d) If:
 - (i) A relevant employee appoints, or relevant employees appoint, the union or other representative for the purposes of consultation; and
 - (ii) The employee or employees advise Sanity Entertainment of the identity of the representative;
Sanity Entertainment must recognise the representative.
- (e) As soon as practicable after making its decision, Sanity Entertainment must:
 - (i) Discuss with the relevant employees:
 - The introduction of the change; and
 - The effect the change is likely to have on the employees; and
 - The measures Sanity Entertainment is taking to avert or mitigate the adverse effect of the change on the employees; and
 - (ii) For the purposes of the discussion--provide, in writing, to the relevant employees:
 - All relevant information about the change including the nature of the change proposed; and
 - Information about the expected effects of the change on the employees; and
 - Any other matters likely to affect the employees.
- (f) However, Sanity Entertainment is not required to disclose confidential or commercially sensitive information to the relevant employees.
- (g) Sanity Entertainment must give prompt and genuine consideration to matters raised about the major change by the relevant employees.
- (h) In this clause, a major change is 'likely to have a significant effect on employees' if it results in:
 - (i) The termination of the employment of employees; or
 - (ii) Major change to the composition, operation or size of Sanity Entertainment's workforce or to the skills required of employees; or
 - (iii) The elimination or diminution of job opportunities (including opportunities for promotion or tenure); or
 - (iv) The alteration of hours of work; or
 - (v) The need to retrain employees; or
 - (vi) The need to relocate employees to another workplace; or
 - (vii) The restructuring of jobs.

Change to Regular Roster or Ordinary Hours of Work

- (i) For a change referred to a 'regular roster':
 - (i) Sanity Entertainment must notify the relevant employees of the proposed change; and
 - (ii) Sub-clauses 6.3(j) to (p) apply.
- (j) The relevant employees may appoint the union or other representative for the purposes of the procedures in this term.
- (k) If:
 - (i) A relevant employee appoints, or relevant employees appoint, the union or other representative for the purposes of consultation; and
 - (ii) The employee or employees advise Sanity Entertainment of the identity of the representative;
Sanity Entertainment must recognise the representative.
- (l) As soon as practicable after proposing to introduce the change, Sanity Entertainment must:
 - (i) Discuss with the relevant employees the introduction of the change; and
 - (ii) For the purposes of the discussion--provide to the relevant employees:
 - All relevant information about the change, including the nature of the change; and
 - Information about what Sanity Entertainment reasonably believes will be the effects of the change on the employees; and
 - Information about any other matters that Sanity Entertainment reasonably believes are likely to affect the employees; and
- (m) Invite the relevant employees to give their views about the impact of the change (including any impact in relation to their family or caring responsibilities).
- (n) However, Sanity Entertainment is not required to disclose confidential or commercially sensitive information to the relevant employees.
- (o) Sanity Entertainment must give prompt and genuine consideration to matters raised about the change by the relevant employees.
- (p) In this term: 'relevant employees' means the employees who may be affected by a change referred to in subclause 7.4(l).

6.4 Individual Flexibility Arrangement

- (a) Sanity Entertainment and an employee covered by this Enterprise Agreement may agree to make an individual flexibility arrangement to vary the effect of terms of this Enterprise Agreement if:
 - (i) The agreement deals with 1 or more of the following matters:
 - Arrangements about when work is performed;
 - Overtime rates;
 - Penalty rates;
 - Allowances; and
 - (ii) The arrangement meets the genuine needs of Sanity Entertainment and the employee in relation to 1 or more of the matters mentioned in sub-clause 6.4(a)(i); and

- (iii) The arrangement is genuinely agreed to by Sanity Entertainment and the employee.
- (b) Sanity Entertainment must ensure that the terms of the individual flexibility arrangement:
 - (i) Are about permitted matters under [section 172](#) of the [Fair Work Act 2009](#) ; and
 - (ii) Are not unlawful terms under [section 194](#) of the [Fair Work Act 2009](#) ; and
 - (iii) Result in the employee being better off overall than the employee would be if no arrangement was made.
- (c) Sanity Entertainment must ensure that the individual flexibility arrangement:
 - (i) Is in writing; and
 - (ii) Includes the name of Sanity Entertainment and the employee; and
 - (iii) Is signed by Sanity Entertainment and employee and if the employee is under 18 years of age, signed by a parent or guardian of the employee; and
 - (iv) Includes details of:
 - The terms of the Enterprise Agreement that will be varied by the arrangement; and
 - How the arrangement will vary the effect of the terms; and
 - How the employee will be better off overall in relation to the terms and conditions of his or her employment as a result of the arrangement; and
 - (v) States the day on which the arrangement commences.
- (d) Sanity Entertainment must give the employee a copy of the individual flexibility arrangement within 14 days after it is agreed to.
- (e) Sanity Entertainment or the employee may terminate the individual flexibility arrangement:
 - (i) By giving no more than 28 days written notice to the other party to the arrangement; or
 - (ii) If Sanity Entertainment and the employee agree in writing at any time.

6.5 Termination, Change and Redundancy

Sanity Entertainment will adhere to the Termination Change and Redundancy National Employment Standard at the time of redundancy.

6.6 Grievance Procedure

- (a) Step 1: A grievance between an employee and Sanity Entertainment about a matter(s) arising under the Entertainment Agreement or the National Employment Standards must be discussed at the first instance by the employee with their line manager.
- (b) Step 2: If the matter is not settled the employee may raise the matter with their Area Manager.
- (c) Step 3: If the matter is not settled the employee may raise the matter with their State Manager.
- (d) Step 4: If the matter is not settled the employee may raise the matter with their National Retail Manager (or his or her equivalent).
- (e) Step 5: If the matter still cannot be resolved the employee may refer it to Fair Work Australia for conciliation and only after all reasonable attempts to settle the matter by conciliation have failed, for arbitration.
- (f) Until the grievance procedure is completed work as usual must continue in accordance with the direction of Sanity Entertainment. No party will be prejudiced by this continuance of work.

- (g) Any party to a grievance may request that a person attend and represent them. The representative may be an official from the SDA.
- (h) The parties must co-operate to ensure these procedures are followed as quickly as reasonably practical.

6.7 Dress Code and Appearance Standards

- (a) Sanity Entertainment takes great pride in its professionalism. An extension of Sanity Entertainment's professionalism is the requirement that employees must always present themselves, for and during work, in a professional and business-like manner at a standard that is acceptable to Sanity Entertainment.
- (b) If an employee does not meet these requirements they may be directed to not start or cease work, without pay, until such time as the employee is dressed to the required standard.

6.8 Primary Work Location

- (a) An employee's primary work location is the store at which the employee works the majority of their ordinary hours.
- (b) To cater for the changing needs of the business or to improve an employee's employment prospects or opportunities within the business, an employee's primary work location may be changed to a store within reasonable travelling time.

6.9 Abandonment of Employment

- (a) If an employee does not report to work for 3 consecutive rostered working days, excluding approved leave absences; Sanity Entertainment will be entitled to assume the employee has abandoned his/her employment. As a result the employee will be deemed to have resigned their employment without notice effective from their last day of work or their last authorised day of absence, whichever is the latter.
- (b) An employee terminated due to abandonment of employment will be re-employed by Sanity Entertainment if they have a genuine reason for not contacting Sanity Entertainment to inform the company of their inability to attend work.
- (c) Sanity Entertainment will not terminate an employee's employment unless they have given the employee written notice of the day of the termination (which cannot be before the day the notice is given).

6.10 Suspension of Employment

- (a) If on reasonable grounds Sanity Entertainment suspects that an employee has been involved in serious misconduct Sanity Entertainment may, if an investigation is required, suspend the employee on full pay in order that Sanity Entertainment can properly investigate the alleged serious misconduct. No suspension will take place without the approval of the General Manager (or his or her delegate).
- (b) If an employee is suspended the employee is not to attend or contact any Sanity Entertainment workplace during the investigation nor contact or communicate with any Sanity Entertainment employees without the consent of the General Manager (or his or her delegate). This consent will not be unreasonably denied in instances where the employee needs to contact other employees to assist in the preparation of their response to the alleged serious misconduct.

Part 7. Signature Section

Signed for Sanity Entertainment:

 (Signature)

✓ 23 May 18 (Date)


~~Ray Itaoui~~ Melinda Holder

~~EEG, Sanity Entertainment~~ Human Resources & Payroll Manager

Address: 36-48 Ashford Avenue, Milperra

A person duly authorised by the employer to sign on the employer's behalf

Signed for employees by SDA:

 (Signature)

24-05-2018 (Date)

Gerard Dwyer

Authority: Bargaining Representative

Level 6, 53 Queen Street, Melbourne

An authorised officer of an association which has been authorised to enter into the agreement

IN THE FAIR WORK COMMISSION

FWC Matter No.:

AG2018/2223

Applicant:

Sanity Music Stores Pty Limited

(name of applicant)

Undertaking- section 190

I, Melinda Holder, Human Resources and Payroll Manager of Sanity Music Stores Pty Limited give the following undertakings with respect to the (name of agreement) ("the Agreement"):

1. I have the authority given to me by Sanity Music Stores Pty Limited to provide this undertaking in relation to this application before the Fair Work Commission.
2. Clause 6.1(b) of the Sanity Entertainment Enterprise Agreement 2018 will operate in accordance with the National Employment Standards.

Employer name:

Sanity Music Stores Pty Ltd

Authority to sign:

Melinda Holder

Signature:



Date:

30 Oct 2018